

**ORIGINAL**

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U.S. BANKRUPTCY COURT  
NORTHERN DISTRICT OF TEXAS

Attorney for Wrongful Death Claimants

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**IN RE:**

**SUPERIOR AIR PARTS, INC.**

**DEBTOR**

§  
§  
§  
§  
§

**CASE NO. 08-36705-BJH-11**

**OBJECTION OF WRONGFUL DEATH CLAIMANTS TO DEBTOR'S  
SALE MOTION, PROPOSED SALE ORDER, AND PROPOSED ASSET SALE FOR  
SUBSTANTIALLY ALL OF DEBTOR'S ASSETS FREE AND CLEAR OF LIENS**

The below listed wrongful death claimants, by and through undersigned counsel, file this  
Objection to Debtor's Sale Motion, Proposed Sale Order, and Proposed Asset Sale for  
Substantially All of Debtor's Assets Free and Clear of Liens.

1. Superior Air Parts, Inc. ("Debtor"), commenced this bankruptcy proceeding on or about December 31, 2008.
2. Debtor was and/or is in the business of designing, manufacturing, marketing and selling new and/or overhauled aircraft engines and aircraft engine component parts.
3. Prior to the commencement of this bankruptcy proceeding, several wrongful death

**OBJECTION TO DEBTOR'S SALE MOTION, PROPOSED  
SALE ORDER AND ASSET SALE**

**Page 1**

actions were filed against Debtor asserting negligence and/or products liability claims.<sup>1</sup> Such actions include:

- a. Clyda Whitefield, Individually and as Personal Representative of the Estate of Justin Whitefield, deceased, and as Next Friend of Derby Whitefield and Kennedy Whitefield, Minors, and Vickie Lynn Coy, Individually, and Bill Allen Whitefield, Individually,

-and-

Mark Hughes, Amy Hughes and Amber Henson as Next Friend of Brandt Henson, a Minor,

vs.

*Superior Air Parts, et al.*

Case No. CJ-2008-864

In the District Court of Pontotoc County, State of Oklahoma

- b. Chris Reser, as father and Guardian of Logan Scott Reser, a Minor, Taylor Shalom Reser, a Minor, and Chris Reser, as Personal Representative of the Estate of Jennifer Parton, deceased, and on behalf of the Legal Heirs of the Estate of Jennifer Parton,

vs.

*Superior Air Parts, et al.*

Case No. C-2008-812

In the District Court of Pontotoc County, State of Oklahoma

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<sup>1</sup> Each of the listed wrongful death actions also include AVCO Corporation, the presumed buyer, as a defendant.

c. Cheryl Kirkwood, Individually and as Guardian Ad Litem of Corey Manning, a Minor, as Successor in Interest and as Personal Representative of the Estate of Ricky Manning, and Taylor Manning, Individually,

vs.

*Superior Air Parts, et al.*

Case No. MC018415

In the Superior Court of the State of California for the County of Los Angeles, Northern District

4. The above-listed wrongful death claimants have timely filed proofs of claim in this bankruptcy proceeding.

5. Debtor maintained an insurance policy providing coverage for the above-listed wrongful death claims. *Exhibit A*. The policy provides an aggregate coverage amount of \$50,000,000 during the applicable policy period. *Id.*, p. 1 of 35. The deductible for the policy, however, is \$350,000 per occurrence, inclusive of fees and expenses. *Id.* In practical terms, this means that before the Debtor's products liability insurer is obligated to pay any attorney's fees, litigations costs, or costs of settlement or judgment, Debtor must first pay \$350,000 per case toward such fees, costs and expenses. Once Debtor has paid \$350,000 per case of such fees, costs, and expenses, the insurer will step in and pay the remainder.

6. The above-listed wrongful death claims arise from aircraft crashes that were caused, in whole or in part, by the acts or omissions of Debtor in its capacity as an aircraft engine and aircraft engine part designer, manufacturer and seller. Each of the decedents were survived by spouses, minor children and/or parents. Thus, the damages at issue in each of these cases far exceed \$350,000.

7. The above-listed wrongful death claimants will shortly be filing a motion for relief from the automatic stay in order to recover damages from the Debtor's insurance proceeds. The large, self-depleting retainer on Debtor's insurance policy, however, stands as an obstacle to the wrongful death claimants' ability to recover. Although Debtor has sufficient insurance to cover the claims, subsequent to its bankruptcy filing, Debtor can not or will not pay the first \$350,000 per occurrence in fees, costs and expenses required before the insurer's obligations begin.

8. Neither the Debtor's Sale Motion or Proposed Sale Order address this issue. Thus, the above-listed wrongful death claimants object to the Sale Motion, the Proposed Sale Order and the Asset Sale.

WHEREFORE, the above-listed wrongful death claimants respectfully request that the Court sustain their objection and modify the Sale Motion, Proposed Sale Order and Asset Sale to include provisions for payment by Debtor and/or any purchaser of the self depleting retainer on Debtor's products liability insurance policy.

DATED: January 30, 2009

Respectfully submitted,

KREINDLER & KREINDLER LLP

By: 

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Attorney for Wrongful Death Claimants

**CERTIFICATE OF SERVICE**

The undersigned counsel certifies that on January 30, 2009, a true and correct copy of the foregoing, with Exhibit A, was forwarded via First Class U.S. Mail to the Debtor, the Debtor's counsel, and the Trustee. All others on the attached service list were served the Objection without Exhibit A via First Class U.S. Mail.

  
William O. Angelley

Service List

**Debtor:**

Superior Air Parts, Inc.  
621 S. Royal Lane, Suite 100  
Coppell, TX 75019-3805

Crane Cams  
530 Fentress Blvd  
Daytona Beach, FL 32114

**Debtor's Counsel:**

Stephen A. Roberts  
Strasburger & Price, LLP  
600 Congress Ave., Ste. 1600  
Austin, TX 78701

Ace Grinding & Machine Company  
2020 Winner Street  
Walled Lake, MI 48390

Genesee Stamping & Fabricating  
1470 Avenue T  
Grand Prairie, TX 75050-1222

**Office of the U.S. Trustee:**

Mary Frances Durham  
Office of the US Trustee  
1100 Commerce Street, Rm. 976  
Dallas, TX 75242-1496

Corley Gasket Co.  
6555 Hunnicut Road  
Dallas TX 75227

**Top 20 Unsecureds:**

Mahle Engine Components USA  
60428 Marne Road  
Atlantic, IA 50022-8291

Lynden International  
1800 International Blvd., #800  
Seattle, WA 98188

KS-Pistoes  
Rodovia Arnald, Julio Mauerberg  
4000 Distrito Industrial  
Nova Odessa - SP Brasil  
CAIXA Postal 91, CEP 13460-000

Saturn Fasteners, Inc.  
425 S. Varney St.  
Burbank, CA 91502

ECK Industries, Inc.  
1602 North 8th Street  
Manitowoc, WI 54221-0967

Automatic Screw Machine  
709 2nd Avenue SE  
Decatur, AL 35601

Airsure Limited  
15301 Spectrum Drive, #500  
Addison, TX 75001

AOPA Pilot  
P.O. Box 973  
Frederick, MD 21701

Helio Precision Products  
601 North Skokie Highway  
Lake Bluff, IL 60044

Combustion Technologies, Inc.  
1804 Slatesville Road  
Chatham, VA 24531

Hartford Aircraft Products  
94 Old Poquonock Road  
Bloomfield, CT 06002

Champion Aerospace, Inc.  
1230 Old Norris Road  
Liberty, SC 29657-0686

Ruhrtaler Gesenkschmiede  
F.W. Wengler GMBH & Co., KG  
Felderstrasse 1  
Witten, Germany 58456

Ohio Gasket & Shim  
976 Evans Ave.  
Akron, OH 44305

Gerhardt Gear  
133 East Santa Anita  
Burbank CA 91502-1926

Knappe & Koester Inc.  
18 Bradco Street  
Keen, NH 03431

**Parties Requesting Notice:**

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Fort Worth, TX 76102-6882

Neil J. Orleans  
Goins, Underkofler, Crawford  
& Langdon, L.L.P.  
1201 Elm Street, Suite 4800  
Dallas, TX 75270

**Others:**

Theilert Aircraft Engines  
Nieritzstrasse 14 D-01097  
Dresden Germany

Garlock-Metallic Gasket Div  
250 Portwall St., Ste. 300  
Houston, TX 77029

Betsy Price, Tax Assessor Collector  
100 E. Weatherford  
PO Box 961018  
Fort Worth, TX 76196

Seal Science  
17131 Daimler  
Irvine, CA 92614-5508

David Childs, Ph.D.  
Dallas County Tax Assessor/Collector  
500 Elm Street, Records Building  
Dallas, TX 75202

Mahle Engine Components  
14161 Manchester Road  
Manchester, MO 63011

Mahle Engine Components  
17226 Industrial Hwy  
Caldwell, OH 43724-9779

Internal Revenue Service  
Special Procedures - Insolvency  
P.O. Box 21126  
Philadelphia, PA 19114

City of Coppell/Coppell ISD  
Mary McGuffey, Tax Assessor Collector  
P.O. Box 9478  
Coppell, TX 75019

Kent Abercrombie  
Superior Auto Parts, Inc.  
21 S. Royal Ln., Ste. 100  
Coppell, TX 75019-3805



**UNITED STATES BANKRUPTCY COURT FOR  
THE NORTHERN DISTRICT OF TEXAS**

**ADDITIONAL EXHIBITS OR ATTACHMENTS SUBMITTED**

Additional exhibits or attachments in reference to this document were submitted.

Pursuant to our Administrative Procedures for CM/ECF, such documentation is not to be filed with the court except as summarized or excerpted, unless a party is directed to do so.

The court will not process or retain more than 5 pages of exhibits or attachments to documents filed with the court. A complete copy of the exhibits or attachments are available upon request from the filer.